



APPROVED MINUTES
Idaho Soil Conservation Commission
2270 Old Penitentiary Road
Boise, Idaho

The Idaho Soil Conservation Commission (ISCC) held its regular, bi-monthly meeting on July 11, 2005 in Lower Conference Rooms 1 and 2 at the Idaho State Department of Agriculture (ISDA) office in Boise, Idaho. Attendance was as follows:

Members: Bill Whittom, Chairman
J. Morgan Evans, Vice-Chairman
Gary Grindstaff, Secretary
Jerry Reid, Member

Members not Present: Tom Johnston, Member

Advisors: Kyle Hawley, ID Assoc. Soil Conservation Districts (IASCD)
Adolfo Perez, Acting State Conservationist (NRCS)

Advisors not present: Paul McCawley, University of Idaho (U of I)

Others: Jerry Nicolescu, ISCC
Brenda Thomasson, ISCC
Jennifer Ambrose, ISCC
Christy Mastin, ISCC
Biff Burleigh, ISCC
Tony Bennett, ISCC
Kathy Weaver, ISCC
Sarah Braasch, NRCS
Kathie Shea, ISCC
Debbie Tiede, IDEA
John Hermann, NezPerce SWCD
Kent Foster, Idaho Association of Soil Conservation

Districts Ken Stinson, Latah SWCD
Pat Takasugi, ISDA
Sarah Braasch, NRCS
Darwin Josephsen, Idaho Association of Soil

Conservation Districts Alice Wallace, Idaho Association of Soil

Conservation Districts Kevin Koester, Idaho Association of Soil

Conservation Districts Claude Bruce, Idaho Association of Soil

Conservation Districts Steve Miller, Idaho Association of Soil Conservation

Districts Wayne Newbill, Idaho Association of Soil

Conservation Districts

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Dirk Kempthorne

Commission Members
J. Morgan Evans
Gary Grindstaff
Jerry Reid
Bill Whittom
Tom Johnston

Administrator
Jerry Nicolescu

Scott Koberg, Idaho Association of Soil

Conservation Districts

Carol Bruce, Idaho Assoc. of Soil Conserv. Districts

Auxiliary

Jody Fagan, NRCS

Karma Bragg, IDEA

Vicki Lukeheart, IDEA

Connie Johnston, IDEA

Pat McCoy, Capital Press

Welcome/Announcements

Chairman Whittom called the meeting to order at 10:21 A.M. He welcomed everyone to the meeting and introduced John Hermann, Chairman of the NezPerce SWCD.

Minutes

Grindstaff moved to approve the Minutes of the May 23, 2005 meeting. Reid seconded and the motion carried.

Financial Reports

General Fund Expenses

Thomasson gave a brief report on FY05 year-end expenses. She assured the members that all funds had been expended, including moving some funds down from P.C. to capital outlay and operating expenditures to cover some additional year-end expenses. She explained that \$158,000 had been left over in P.C., which was moved down to the other categories to cover these expenses. The overage was high because of several reasons, including \$27,000 in Soil Survey money received from NRCS in previous fiscal years that had not been adjusted, restitution received from the former loan officer of approximately \$45,000, and TSP funds earned that were greater than anticipated. Nicolescu explained that we have learned to ask better questions so that we are not caught off-guard in future years. He also explained that we had four positions during the year that were vacant for several months due to the re-hiring process. Additional funds were disbursed to Bonner, West Cassia, and Payette to coordinate with other funds for the purpose of hiring additional technical assistance in those areas. Reid asked if there were any vacancies within the Commission staff. Nicolescu assured the members there were currently no vacancies. Evans moved to approve the financial report. Grindstaff seconded and after a brief discussion, the motion carried. Whittom took a moment of personal privilege and thanked the members for allowing him the opportunity to allow him to be Chairman, stating that he believes it has helped him deal with his cancer more effectively.

Nicolescu introduced Adolfo Perez, the Acting State Conservationist, serving Idaho while Rich Sims is on detail to Washington D.C.

Resource Conservation and Rangeland Development Program (RCRDP) Fiscal Report

Mastin distributed copies of the June report. She pointed out that the cash balance did reduce slightly, with a large disbursement in June. Mastin noted that the average dollar amount per loan has decreased, but the volume has increase slightly; however the overall cash balance continues to increase, indicating that we still need to reach more people. There has been much discussion on how to get more money out for loans. Mastin suggested sending out a brief survey on the current loan program as a way to help increase participation. There are seven groups of participants that Mastin could survey at this point. Weaver suggested an evaluation form that goes back to the Districts seeking the same kind of feedback. Reid and Grindstaff both stated that they felt the survey was a good idea. Mastin stated that she felt she had included some information on Districts and NRCS in her form, which could help identify areas where improvement is needed. Evans stated there is still much to be done. Whitton agreed, stating that there is still much confusion about the relationship between entities and recognition of entities. Reid moved to approve the evaluation form and the financial report. Evans second and the motion carried.

Nicolescu reported on a meeting with Jim Yost, of the Governors office, and Jane McClaran, of the Governor's Office, Division of Financial Management. Yost specifically mentioned the RCRDP program during their meeting and asked Nicolescu to provide the Governor's office with three options for expending the funds in RCRDP. Yost is concerned that if the program continues to build, the legislature will start taking the money for other programs, without input from the Commission. We may need to take more risks and expand the direction of the loan program. Evans stated there is much work to be done with water systems, particularly on ranches, but the education is not there. Reid stated he feels much of the problem is still the slowly recovering economy. In areas where there is a lot of federal money, there is no incentive to borrow money when grant funds are available for no cost.

RCRDP Loan Application(s) Reviews

John Folsom

The first loan request to be presented was from John Folsom. Unfortunately, the ranch has been sold, so Mr. Folsom withdrew his application.

Heber & Rosalie Kirkland

Mastin next presented the request of Heber and Rosalie Kirkland to replace their flood irrigation system with four wheel lines. Details of the approval are listed below:

Signing Parties: Heber & Rosalie Kirkland		
Loan Amount: \$38,500	Term: 5 Years	Rate: 5%

Conditions:	<ul style="list-style-type: none"> · SCC to secure 1st lien on equipment to be purchased (UCC-1) · Secured equipment to be insured for life of loan
Disposition:	Approved as Requested

Reid moved to approve, Grindstaff seconded; motion carried.

Lynn F. Griffiths

The next request presented was from Lynn Griffiths to convert from flood irrigation to wheel lines, including a pump. Details of the approval are listed below:

Signing Parties:	Lynn F. Griffiths		
Loan Amount:	\$30,000	Term:	7 Years Rate: 4%
Conditions:	<ul style="list-style-type: none"> · ISCC to secure 1st lien on equipment to be purchased (UCC-1) · Secured equipment to be insured for life of loan 		
Disposition:	Approved as Requested		

Evans moved to approve, Reid second; motion carried.

Maynard & Rebecca Potter

Mastin next presented the request of Maynard and Rebecca Potter to improve their feedlot area to comply with ISDA CAFO requirements, including grading corrals so waste water flows into three new sediment ponds; and adding eight water troughs, a well, and new corrals. Details of the approval are listed below:

Signing Parties:	Maynard and Rebecca Potter		
Loan Amount:	\$26,000	Term:	10 Years Rate: 4%
Conditions:	<ul style="list-style-type: none"> · ISCC to be secured by an insured 2nd R/E mortgage on 240 acres · Value of R/E to be established by an acceptable evaluation source 		
Disposition:	Approved as Requested		

Reid moved to approve, Evans second, motion carried.

Pentzer Ranch

A request from the Pentzer Ranch, Inc. to purchase a direct seed drill and harrow was the next request presented. Details of the approval are listed below:

Signing Parties: Pentzer Ranch, Inc. by Richard Pentzer			
Loan Amount:	\$119,200	Term: 15 Years	Rate: 4%
Conditions:	<ul style="list-style-type: none">· ISCC to be secured by an insured R/E mortgage· Value of R/E to be established by an acceptable evaluation source· ISCC to secure 1st lien on equipment to be purchased (UCC-1)· Secured equipment to be insured for life of loan		
Disposition:	Approved as Requested		

Evans moved to approve, Grindstaff second. Discussion involved the need to purchase harrows. John Hermann was asked for his perspective, as he is currently using no-till. Hermann stated that he feels it is working well and is on the cutting edge of technology and is waiting for mechanical and chemical technology to catch up. Reid asked Hermann about residue management. Herman uses a flexi-coil single disk drill for this process. Residue management has to start at the back of the combine so that it does not become a long term problem. At the conclusion of this discussion, the motion carried.

RCRDP Servicing Actions

Wade

Jeff Wade requested a \$6100 increase for modifications to his pivot, increasing the total loan amount to \$92,800. Modifications were made to the pivot arm and an upgrade on the control system increased costs above original estimates. Evans moved to approve. Reid second. Motion carried:

Gartner

Heath Gartner, requesting extension. Reid moved to approve a six month extension Grindstaff seconded. Motion carried.

Pearsen, Smith, Bolwinkle

There are three other extensions, Jim Pearsen, Ellen Jean Smith, and Barry Bolwinkle have all requested extensions. Reid moved to approve these extensions for six months. Evens second and the motion carried.

Lucero

Ed and Christa Lucero requested a waiver of default interest. Mastin has suggested that the default interest be moved to the end of the loan. Reid moved to forgive the \$774 default interest. Evans second and the motion carried.

Stowe

Robert Rowe is also asking for an extension of this loan. Grindstaff moved a six month extension. Reid seconded and the motion carried.

Schaffer

Robert Schaffer project is complete, as a continuation from a 2000 project with his mother, Viola Schaffer. There was a transfer of funds from loan #A-272 to this new loan.

South Bingham Soil Conservation District

Mastin presented one final request from South Bingham Soil Conservation District. The District has a purchase and sale agreement for a 40 acre property with a home located just north of the city. The total purchase price is \$165,000. The SCD will survey off the house and one acre and sell that for \$40,000. They do have a buy/sell for the house, closing simultaneously with the property. Irrigation development costs are quoted at \$65,915.94. NRCS has reduced their support from \$100k to \$60k, but has agreed to fund the irrigation development over a three-year period at \$20,000 per year. They will rent additional acreage as development is completed. This NRCS agreement is a condition to approval of funding for the land purchase.

South Bingham is still on DEQ's ranking for an SRF loan, but is currently ranked 15th. DEQ will not know if SRF funds are available until mid-September. They have contacted those projects ranked #1-10 and will wait to hear back from them before awarding loans to lower ranking projects.

Signing Parties: South Bingham Soil Conservation District					
Loan Amount:	\$140,800	Term:	15 Years	Rate:	5%
Conditions:	<ul style="list-style-type: none">· ISCC to be secured by an insured R/E mortgage· Value of R/E to be established by an acceptable evaluation source· ISCC to secure 1st lien on equipment to be purchased (UCC-1)· Secured equipment to be insured for life of loan				
Disposition:	Approved as Requested				

Evans moved to approve the request. Grindstaff seconded. There was much discussion, specifically concerning the fact that this is an RCRDP loan, rather than an SRF loan. The need to move forward with this purchase is critical, as SRF funding will not be available in time to make this purchase and the motion carried.

Mastin asked if this would be an opportunity to discuss financing options for sprayers. Evans stated that education is an important component of the RCRDP program and feels that this program should be opened up to spray systems, harrow systems and other conservation actions. Chaff spreaders might be something else to consider, along with GPS systems, since the cost savings could be substantial by using GPS measurements. Nicolescu asked if dropping the interest rate one half of a percent for equipment purchases is an option to consider. Hermann stated that getting farmers away from tillage is a slow option, but there is a process that is gone through, with the drill and the harrow. If someone is willing to purchase a no-till drill, a harrow is not as large of a purchase. Hermann feels that purchasing a no-till drill is a large investment for a farmer and should be an important part of the conservation plan. If an RMS plan is implemented, is this worth lowering an interest rate? Livestock watering on a range situation could also be a viable option for expending loan funds. Promoting environmental aspects is important too. Whittom stated that he knew of a case where an applicator using a GPS unit on his sprayer had applied 24% less chemical because of the accuracy provided by the GPS unit. Weaver stated that groundwater and CREP issues might fall into the category of projects available in the RCRDP program. Weaver suggested partnering with several entities to provide additional support for these projects.

Agency Reports

NRCS update

Whittom welcomed Sarah Braash, NRCS, to the meeting at 11:45 a.m. Evans suggested dovetailing our projects with NRCS programs to improve and increase conservation. Perez asked if Evans would like to meet with NRCS to work on specific projects. Evans expressed his unhappiness that NRCS in Idaho does not allow the same kinds of projects that NRCS in other states, such as Wyoming, do allow. Reid asked if there is anything in our law or loan program that states we cannot compete with private industry in providing loans. Mastin pointed out that the difference is that our program requires a conservation benefit, whereas banks, finance companies, etc. are selling a product rather than financing a practice. Whittom asked that this discussion be put on hold for now and asked if Sarah Braasch had anything to add. Braasch stated that there are great examples in each of the 13 states she works with and that each project is different in state to state. She stated that the key is to bring those projects up and make sure that the money is being spent where it is most appropriate. She also stated that there are five new state conservationists and that they are all working with each other to determine what is the best course of action. Braasch stated that Chief Knight is taking the time to prioritize resource needs and making sure that the funds are distributed appropriately. Nicolescu stated that Sims had received input from as many ag groups as possible through the state technical committee to ensure that

the funds are distributed as equitably as possible. Perez stated that the next state technical committee meeting is August 17. Braasch stated that there is a two billion dollar budget that we have to be accountable for. There are certain federal, state, and local priorities that have to be addressed. Braasch feels that local involvement is the key to ensuring that funds are distributed with local input.

Nicolescu asked specifically about CTA funding. There is some frustration that technical assistance is focused in one area, when the need is greater in another area. Priority setting and outcome is important. The Directors ranked their projects, but the reality did not match the hoped for outcome. Perez stated that as ranking is completed, the biggest issue they face is the farmer walking in, needing assistance, which is sometimes provided and sometimes not provided. Consistency throughout the state needs to improve. Braasch feels that the biggest source of confusion is that CTA is really not understood.

Lunch was announced and IDEA and Idaho Association of Soil Conservation Districts Directors were welcomed to the meeting. The meeting resumed at 1:00 p.m.

OnePlan Update

Wayne Newbill gave an update on the status of the OnePlan and the Conservation Planner component. Newbill reported that approximately 350 users have signed up for an account. Of that number, about 125 were government workers, and allowing for a ten percent duplication, there are approximately 210 farmers signed on. The server supports approximately 75 plans at any one time. Newbill pointed out that none of the current SCC members and only one of the IASCD directors (Alice Wallace) have actually signed up for the program. Newbill has discovered that people are in awe of the program's abilities but still have not signed up. Dick Johnson, NRCS, is the driving force behind the nutrient management component, and continued improvements are being made in that regard. Newbill also showed the group how to access the range management program within the OnePlan and explained that it is still being developed, but that they are able to see how the first part of this component will function. He encouraged everyone to take the opportunity to look into this.

Conservation Partnership Advisory Committee (CPAC)

Hawley reviewed a resolution proposed by the Association to develop a conservation partnership advisory committee. The committee will be up and running by the next conference. Hawley and Nicolescu feel that this committee will strengthen the partnership and assist with conflict resolution. The Commission has an approved motion to be a part of this committee. IDEA, the Auxiliary, NRCS and others will be a part of this committee, which will generally be comprised of the leadership of the partnership associations. Functions of the committee would be quite varied. For example, Districts that still have excess funds in their bank accounts might benefit from the influence of this committee, or Districts that are looking for areas to change direction of the projects in their Districts might benefit from this committee's involvement. Chairmanship of this committee would likely rotate. Foster and Nicolescu were tasked with getting this committee running. Process and procedures still need to be

developed. Funding for the committee for travel expenses, and other expenses still needs to be addressed.

All Personnel Meeting

Foster and Nicolescu gave a report on the All Personnel Meeting. Both expressed the sentiment that the level of technical expertise of the staff is incredible. The meeting was kept interactive, with equipment demonstrations, and after-hours activities. Whittom stated that this meeting was even better than the one held two years ago. As staff learns they are not alone out there, there will be many options available to continue with the work load. There was a lot of feedback and give and take from each section. Foster stated that there had been more turnover on the Association side than on the Commission side. Koberg stated how impressed he was with the staff. There was tremendous knowledge of the areas and the programs they were supporting. He stated that it was quite humbling and impressive to see the caliber of employees employed by both entities. Koberg stated that it was a good experience. Ambrose distributed folders to each of the Commission Members and the Idaho Association of Soil Conservation Districts Members that were given out to staff during the all personnel meeting.

Whittom turned the Chairmanship of the meeting over to Evans, as he had to leave for an appointment.

Partnership/Districts PIO Proposal

Jody Fagan reported that she and Newbill had been discussing communications issues amongst the Districts, Commission, and NRCS. She stated that she still feels that many people across the state still really don't know what it is that the partnership does, or what great things have been accomplished. Fagan feels that, at a grass roots level, more needs to be done to get the message out. She would like to explore the possibility of obtaining a shared Information & Education Specialist for the Idaho Conservation Partnership. She distributed a proposal sheet outlining the purpose of this position, the qualifications necessary to fill the position, the items to be accomplished and other basics of the proposed position. Fagan has received several requests for information that has not been readily available, and would like to work to change this situation.

Grindstaff asked if including the loan program and TMDLs would be part of the proposal and what the estimate of costs for travel would be. Reid asked where the Commission is with the ISDA/SCC PIO. Nicolescu stated that this was a discussion to be held later this summer. Grindstaff stated that he felt this could be a good project. Hawley asked how Fagan would be interacting with this position. She sees it as a cooperative partnership and would be actively involved. Koester asked if this person would still be preaching to the choir and stated the need to be more visible to an audience that includes more than the current cooperators. Fagan sees the current cooperators as people who can help get the message out to others. Ranchette

owners and state and local elected officials would all be part of the target audience. Josephson stated that we have done a great job of accomplishing conservation, but a terrible job of telling others about it. Nicolescu stated that a basic cost for this position would be around \$30,000 to \$40,000, depending on whether it was full time or part time, and where the position is located. He also stated that it would probably be at least one year before such a position could be hired.

Claude Bruce offered his complements to the Commission and Association staff for the work they have done to move the partnership forward. Bruce sees more and more recognition coming forward everyday.

Evans asked the Directors if they had discussed Fagan's proposal. Hawley stated that they had discussed it somewhat informally and stated how pleased he had been with the efforts Fagan has made to date. Evans asked Foster, Hawley and Nicolescu to meet to discuss the possibilities of making this position a reality. Steve Miller mentioned a video Public Service Announcement (PSA) campaign that the Camas District had prepared that was very effective and was not cost prohibitive. Hawley mentioned that he and Ken Stinson had also been brainstorming and then suggested the possibility of creating a policy manager-type position that could be funded and linked to this position.

Evans thanked McCoy for the articles that the Capital Press had published about conservation. McCoy stated that often, she is also just preaching to the choir. She feels that a PIO would help with these concerns. Grindstaff suggested that working with environmental groups might be an option to explore also.

Leadership Idaho Agriculture (LIA)

Koburg thanked the SCC members and the Idaho Association of Soil Conservation Districts Directors for the opportunity he had to attend LIA. Koburg stated that LIA was the best training that he has participated in during his career. LIA was created in 1985 under the Department of Agriculture. The LIA Foundation was formed in 1993 and is headed by Rick Waitley. The LIA program in Idaho is the most highly respected leadership program for agriculture in the Northwest. A high percentage of legislators have participated in LIA. The course is conducted over a four month period, in Moscow, Pocatello, Twin Falls and Boise. Koburg was a member of LIA class XXIV. He gave an update of his experience during the course, stating that he had been selected as one of the speakers of his class to speak before Governor Kempthorne. Koburg stated that he now has a network of classmates that he can rely on. Koburg wrapped up by presenting the speech that he gave to the Governor's office. He encouraged the Commission to support Jamie Davis's application to attend LIA and he suggested that other members and staff attend whenever possible. The Association is providing \$1500 towards Ms. Davis's tuition and expenses to attend LIA. Nicolescu suggested that the Commission may want to consider matching the Association's contribution to Ms. Davis. Reid moved to support an LIA candidate in the amount of \$1500.00. Grindstaff

seconded and the motion carried. Koburg stated that Thomasson, Newbill and Braasch had all completed LIA in past years.

Conservation Reserve Enhancement Program

Nicolescu stated that in the last legislative session, the Commission was given an additional \$350,000 to hire three new positions to help the State implement a Conservation Reserve Enhancement Program. Idaho's application was sent to USDA in February for consideration. In May, USDA responded with questions about Idaho's proposal. Approximately \$3,000,000.00 in enhancements would be added to the money the federal government is putting up. It was suggested that an additional \$23 million is needed in cash to put this program in place. Wayne Hammond from FSA is leading the effort on CREP from the Idaho side. It is anticipated the Commission will be ready by September 1st to hire the CREP staff positions. It is expected that fifty percent of all CREP participants will be enrolled by next spring and seventy five percent of the contracts will be completed next fall with the remaining projects finishing up within 18 months. The CREP program is focused on the Eastern Snake River Plain Aquifer. Evans asked if there was a surplus of funds in the state budget currently. There is a current surplus of funds of slightly more than \$200 million. Of that, about \$185 million is necessary to make up the difference on the loss of the one cent sales tax increase from last year.

Resource Conservation Plan Accomplishment Reports

Weaver submitted a proposal for a uniform report from each of the Districts as to their accomplishments throughout the year. The intent of the Report of Accomplishment template is to provide an overview of what the Conservation Partnership does for who and how it is accomplished. Individually, each partner can use the Report of Accomplishment as a stand alone document. As a composite report, decision makers and readers can see the value of the overall conservation work completed in Idaho. There are formats that follow this for an annual plan and for a five year plan. At least two Districts have taken this to County Commissioners and have received a favorable response. For this project to have the most impact, it is important that all Districts follow the same format. Koester stated that he felt if the Administrative Assistants like the format, there will be no trouble convincing Districts. Alice Wallace stated that this report can also be included in the Chamber of Commerce report. Weaver asked if the Association could be the marketing arm to take this report to the Legislature. Grindstaff moved to accept the proposal and start it this year. Bruce seconded the motion of the joint session and the motion carried. Perez stated that it is important to emphasize the partnership effort and the ability to provide more assistance.

Partnership MOUs – OSC/DEQ

Foster stated that at a previous meeting, representatives from DEQ and OSC had met and requested an MOU with these entities. Janet Hohle is working on a draft of an

agreement with OSC for the MOU as ways to expand the partnership and work with other agencies on not only technical assistance, but financial arrangements as well. Evans thinks an MOU is critical, particularly in the event of a change in personnel. Hawley stated that he feels an MOU with DEQ is very important to ensure that each entity is aware of their own and the other agencies' responsibilities. Nicolescu and Foster will continue to work on this effort.

Water Quality & TMDL Staffing Issues

Bennett thanked the members for the opportunity to present the TMDL action plan for 2005. He asked everyone to direct their attention to page two of the report he distributed. He also reported on recently completed implementation plans and stated that he was very excited about the teamwork exhibited by staff and praised Justin Krajewski for his leadership efforts in the eastern Idaho area. This is also working well in north Idaho and in the Salmon basin. Item number two on page five lists the areas listed for riparian assessments led by Krajewski. Much time has been devoted to training field staff to fill in behind Krajewski. BMP assessments have also been an area where the Commission has taken the lead and will be using the APAP subcommittee for BMP effectiveness. A 319 grant will be applied for to help finish up the assessments. Bennett reported that we have a strong staff and that the new hires are off to a good start. The Commission is looking at the possibility of reclassifying one of the WQRC positions into a Groundwater Specialist position. High nitrate-high priority areas are being closely reviewed through the Districts and field staff is supporting those projects.

Agency Reports, continued

Debbie Tiede gave a report on IDEA activities. IDEA held their meeting this morning and accomplished much today. They are currently working on their five year plan. Karma Bragg will be developing a draft of their plan for review by the IDEA members, IASCD Directors, and SCC members. Bragg will send the plan out prior to the Division meetings for final review at Conference. IDEA Directors asked Tiede to attend the Pacific Regional Meeting in Phoenix, which she agreed to attend. She asked if the IASCD Directors could help with her travel budget. Tiede asked if Stinson or Bragg had anything to add to the report. A couple of Divisions have held workshops with a few more coming up before the end of July. Division VI just had website, newsletter and personnel development training. Divisions IV and V will be holding a joint workshop.

Idaho Association of Soil Conservation Districts Report

Foster presented the IASCD report. They are working on filling the vacancy of their administrative assistant. They are narrowing down the list of applicants for this position. IASCD has recently completed the NezPerce review and is also finishing up an audit of IASCD's financial reports. A federal audit will not be required this year by the Association because their funding remained below the audit limit. Conference planning continues and registration packets will go out around July 17, 2005. The theme of this year's conference is "Water, Idaho's Treasured Resource" with Norm Semanko as a speaker and a "Teddy Roosevelt" impersonator as the motivational speaker.

There are a couple of meetings coming up this month that the Association will be attending, along with a NASCA meeting. Information will be going out to Districts on how they can participate in the 2007 Farm Bill. The Partnership Committee remains a high priority for the Association. This morning they voted to draft a five-year business plan for the Association to be prepared prior to Conference. Foster and Hawley will be meeting with Jim Yost of the Governor's office in the morning and will extend an invitation for the Governor to attend the conference. Grindstaff stated that he felt that we need to continue to build on the efforts to promote our partnership.

NRCS Report

Perez presented the report for NRCS. He stated how pleased he was to see conservation taking place at the grass roots level. Perez comes from Washington D.C. Prior to that he was in New York and in Texas, and has a family farm in Texas. There are three new employees of the Idaho NRCS; Dave Smith in Pocatello as a new area conservationist, and Mark Weatherstone, a new state technology assistant, and Pam Dugan, who replaced Sue Ellis. Perez visited with Sims this morning and Sims conveyed his best wishes to all. CSP has received 382 applications. If each project got funded that would mean \$47 million for the farmers and ranchers of Idaho over the next ten years. Next week, they will determine the approval levels. There were 183 tier one application, 86 tier two and 94 tier three applications, which will be ranked on a nationwide basis. There were 14 watershed applications. Perez stated that it will take the entire partnership family to get the word out. If there are any concerns or ideas for the 2007 Farm Bill, Perez asked that they be sent to him to ensure they are heard. There were 423 EQIP contracts received, with approximately 150 remaining to be written in the next two weeks. There will be a template concerning EQIP contracts from national headquarters to be presented at the State Technical Committee meeting on August 17. Work load issues and ranking are a consistent issue for EQIP nationwide. There are five priority areas under CTA which model EQIP priorities and in which District involvement will be important. Koester stated that it is important to emphasize that the reason so many of Idaho's farmers reached tier two and tier three in CSP was because of the assistance received at the local level. Evans thanked Perez for being here today and for his straight-forward approach.

NezPerce Update

John Hermann, Chairman of the NezPerce District distributed a draft document developed after the program review. The document is entitled "Operations and Management Policies". This is a handbook that is being developed for the District. The goal of the team was to address the 26 points brought up during the review. Hermann stated that Janet Hohle had been very instrumental in helping the District develop this document. Article VI, Contracts and Agreements, on page 14 has been reviewed and adopted by the Board to use during the construction season. The Board will hold the employees responsible, and the employees will be required to follow these procedures. As time allows, they will finish and complete other sections of the document. The District is preparing for its annual financial audit. The Commission will receive a copy of the audit when it is complete. Hermann reported that there have been many changes in the District, and while they still have many hurdles, he feels the District is moving

forward. He encouraged the Commission to form a standard review committee which could provide assistance to other Districts similar to what Nez Perce received. Operating decisions are made on a day to day basis and they are still heavily slanted towards BPA funding. They have a new D.C., Treg Owens, who met with Hermann last week. Owens has CSP experience and Hermann feels that he will be a real asset to the area.

Evans thanked Hermann for his leadership and efforts on behalf of the Board and asked if the District Manager was still in place. Hermann stated that the District Manager had resigned and the Board is in the process of reviewing the position to determine what type of position might be rehired. Ken Stinson will be reviewing the financial system and the manager position to determine what kind of position should be hired. Bruce asked how many individuals were employed by the District. They have four full time employees and three part-time summer assistants. Hermann shared a copy of the Lewiston Tribune, which featured a front page article on the conservation efforts of the District. Shea asked if the Big Canyon project leader position had been filled. Hermann reported that the position had been filled. Lynn Rasmussen is providing direct supervision to that position. They are also advertising for a biologist, and that position has not been filled yet.

Foster asked Hermann to explain how the Manager position had been funded. Hermann stated that the first Manager position was funded by general funds, with the understanding that one of the duties of the manager position would be to find soft money to continue funding of the project manager position. Hermann stated that all employees have dual work stations in both Lewiston and Culdesac. Board meetings are held at the Lewiston field office. The Culdesac office is a working field office. It is in place because of the amount of activity being conducted there.

Idaho Association of Soil Conservation Districts Funding

Kyle Hawley mentioned that members had requested an increase in the administrative costs paid by the SCC from the five percent level to a ten percent level. Nicolescu feels that it is appropriate to request an increase, although he does not know at what level. Miller stated that he felt the increase in costs was closer to a 20% increase. Hawley stated that an increase of three percent is requested to the Association for the Executive Director's salary, with the base funding for the contract employees remaining the same. Nicolescu asked for clarification on the amounts being requested. Grindstaff requested that the discussion be tabled until tomorrow and that a decision be made before the close of business tomorrow. Reid seconded and the motion carried.

Grindstaff moved to adjourn the joint meeting. Koester seconded and the motion carried. The meeting was adjourned at 4:35 p.m. to continue at 8:30 a.m. on Tuesday, July 12, 2005.

Respectfully submitted by Brenda Thomasson, Management Assistant

